



**INFORMAL INFLUENCES IN THE PROCESS OF IDIQ CONTRACTOR
SELECTION FOR TASK AWARD**

THESIS

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Abstract

The selection of a contractor for task award using the IDIQ contract often involves dynamics and relationships that are difficult to understand. There are unanswered questions that relate to how government agents define “best value” to the government. The selection decisions often differ between government agents. The government streamlined the acquisition process by creating the multiple award IDIQ contract. Government agents are relied upon to make sound business judgments in determining which contractor represents the best value to the government. Informal influences can impact the determination of the final selection of a contractor. This thesis attempts to create a better conceptual framework for the informal influences that affect the dynamic selection process of contractors for task award. The research consisted of interviews with members of government agencies that routinely make IDIQ contract task awards.

Results indicate that informal, or soft, factors play a large role in determining which contractor will be awarded a task. The most influential factors that affect task award are identified and discussed in depth. The research determined that some marketing processes can be totally ineffective or even counterproductive at times. The results also show that formal rating systems are often replaced by informal peer networks. Existing research on selection processes in the private sector proved comparable to processes used at the government agencies participating in this study.

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Jason E. Blevins

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INFORMAL INFLUENCES IN THE PROCESS OF IDIQ CONTRACTOR SELECTION FOR TASK AWARD

I. Introduction

Background

In 1994, Congress passed the Federal Acquisition Streamlining Act (FASA) to simplify and streamline the federal acquisition process. The regulation established preferences for awarding, to the maximum extent possible, multiple delivery or task order contracts for the same or similar services or property (U.S. Congress, 1994). The FASA created a multiple award, indefinite delivery – indefinite quantity (IDIQ) contract tool, enabling government agencies to retain a pool of contractors to perform recurring tasks of a certain type, such as architectural-engineering services or environmental remediation. Using IDIQ contracts, government agencies can issue multiple task awards under the same basic contract to a number of selected contractors. Two such organizations that make use of the IDIQ contract are the U.S. Air Force Center for Environmental Excellence (AFCEE) and the Kansas City District of the U.S. Army Corps of Engineers (USACE-KC). These two organizations served as the research participants in this study.

The Federal Acquisition Regulation (FAR) states that an IDIQ contract provides for an indefinite quantity of supplies or services to be furnished within a fixed period (Arnavas, 2001). The IDIQ process reduces government time and resources required for task award, while at the same time maintaining a level of competition that keeps individual contract costs down. The FAR mandates that the government provide all participating contractors with a statement that outlines the “procedures and selection

criteria that the government will use to provide awardees a fair opportunity to be considered for each order” (FAR 16.504). Contractors are initially selected to take part in an IDIQ contract through a source selection in which they submit qualifications, experience and merit for government review. The government measures qualifications by comparing the contractor’s capabilities to the requirements of the IDIQ contract in question. Experience is measured by comparing the contractor’s past work to the type of work required by the IDIQ contract. Merit is based on the contractor’s past performance, notably in work performed for the government. The government uses these submissions, and a review of the contractor’s past performance, to assess the contractor’s abilities. Those found to be the best alternatives are selected to take part in the IDIQ contract, thus creating a pool that can be tasked when requirements arise. The demonstration of competence and capability exhibited in the initial source selection allow the government to streamline the acquisition process by limiting awards to prior screened contractors.

The government prefers IDIQ contracts when a predetermined quantity is difficult to predict; however, the IDIQ contract is only used when a recurring need for the service is anticipated. While the FAR mandates that each contractor be given a fair opportunity to be awarded each order (except under special circumstances), it also specifically states that “formal evaluation plans or scoring of quotes or offers are not required” (FAR 16.505). This process allows the federal government to easily award contracts on specific tasks without the lengthy process of placing jobs out for bidding. In addition, more trust is built between the government and the contractor during competent exchanges. When a particular task arises, one of the contractors in the IDIQ contract is chosen for task award by a team of selectors consisting of various members of the

organization. This selection team might consist of a contracting officer, a project manager, a program manager, and/or the customer.

A DoD Office of the Inspector General audit found that 36 of 58 multiple award task order contracts were not awarded to the lowest priced contractor (IG/DoD-99-116). This suggests that decision drivers other than cost determined contractor selection. Additionally, 66 of 124 task orders were found to have been awarded on a sole source basis, further indicating a predetermined informal preference by selectors or selecting organizations.

IDIQ contracts take advantage of the government selectors' individual expertise and judgment. By not strictly regulating attributes and scales that contractors will be graded against, the government relies on its contracting officers to make sound business judgments that represent the best value to the government. However, by relying on individual expertise and judgment, the government introduces the chance that task awards may be made via different methods and against non-uniform scales.

Problem

The specific problem initiating this research is lack of knowledge of informal decision-making processes that selectors use in selecting contractors that represent a "best value" to the government for task award in the IDIQ process. Identification of the informal processes used in selection will provide more understanding and knowledge of the process. A deeper understanding of the dynamics that occur in contractor selection will allow contractors to improve their marketing processes and will reduce the risk to the government in the selection process. In addition, if the process of selecting an IDIQ

contractor for task award can be compared to normal organizational buying center decision processes, then conclusions can be drawn using the existing literature on organizational buying. Questions include:

- What factors influence decision makers and are these factors comparable to those uncovered in research done on private sector selection processes in industrial buying?
- To what extent do these factors influence selection?
- What are the informal scales that selectors use to grade IDIQ contractors?
- Do the different organizational cultures being studied (USAF vs. COE) differ significantly and if so, how is this shown in the selection process and results?
- How can the government buying agency – private contractor relationship be more efficient for both sides?

This thesis attempted to answer questions that arose from the informal processes associated with contractor selection. A better understanding of these informal processes should allow the government and contractors to do business more efficiently. The interviews conducted led the research to seek out a more thorough understanding of the informal networks that exist within the government agencies included in the research and the marketing process that contractors use in attempts to garner task awards through the IDIQ process. These additional questions were:

- How much does the informal network affect the organization's selection of a contractor for task award?

- How does the organization view the marketing process that contractors use and how does it influence the decision making process?

In the end, these questions were a main focus of the research. Overall, this research focused on the “soft” aspects that influence decision makers. These soft aspects include chemistry between the contractor and the decision makers, perceptions about a contractor’s commitment to the buying organization, and/or trust of a contractor. “Hard” aspects of the evaluation of a contractor include capability, past performance ratings, and/or current workload. These aspects can, however, at times be viewed as soft aspects because they still are based on the subjective view of the decision maker.

In the IDIQ contract, contractors that are vying for task award have already been through an exhaustive selection process. All of the contractors in the IDIQ pool are usually qualified to perform the duties established in the IDIQ contract. For this reason, the consideration of soft factors as determining criteria in the selection process is of greater importance.

Methodology

The objective of this thesis was to research and document the informal influences of the IDIQ contractor selection process. A qualitative methodology was used to accomplish this objective. The steps taken are outlined below:

- Make an initial data gathering trip to an IDIQ contract awarding agency and use this data to guide the formation of a general interview guide.
- Refine the focus of the research based on the initial data gathering trip.

- Gather and analyze data from selected government organizations using the general interview guide.
- Formulate framework for identifying reoccurring themes and concepts that have surfaced from data analysis.
- Compare organizations to one another for possible similarities and differences.
- Conclude with recommendations for more efficient working relationship between government and contractors.

A detailed synopsis of the research methodology is included in Chapter 3 of this thesis.

Scope

This research sought a better understanding of mental models and informal processes used in selecting contractors for IDIQ contracts. The research took a qualitative approach to gathering and analyzing data that could then be synthesized into a report. This allowed the researcher to obtain rich data that would capture the subtleties of the selection process. The qualitative methodology permitted the researcher, through open conversation and interviews, to immerse themselves in the field and better understand the participant's perspective.

Guidelines and processes in selection are mandated by federal regulation, as stated in the Federal Acquisition Regulation (FAR), but this research focused on the undefined, informal processes that impact selections. This includes the incorporation of values, judgments, and other intangibles (unwritten) that drive, guide, or influence government employees in their individual and collective preferences to work with one contractor over another. Selectors are required to make selections based on the "best

value” to the government. Government agents involved in the selection process were interviewed to gain insight to the settings and situations in which selections are made. In addition, individual values, military values, organizational values, preferences and biases were identified and examined for their influences on the selection processes. These interviews were the basis for an emergence of a grounded theory, based on the data gathered.

Included in the sample were representatives of the U.S. Air Force Center for Environmental Excellence and the Kansas City District of the U.S. Army Corps of Engineers. Review of processes in these two organizations allowed for a comparison of contractor selection and IDIQ contract implementation across two different organizational cultures, the U.S. Air Force and the U.S. Army. At this organizational level, information from more experienced selection members will be collected, rather than the generally less experienced selectors at base level installations. Selection decisions at base level are generally smaller in nature and are less frequently done. Further focusing the scope of participants, the research examined global and regional contracts.

Assumptions/Concerns

A critical assumption of this research was that the government selectors who were interviewed willingly provided complete and honest information in such a potentially sensitive area. No selector wanted to be viewed as unfair. There was a concern that this may have kept some participants from fully revealing or explaining their selection

methods. The sample members were assured that all information gathered would be presented anonymously.

A concern of this effort was the limited number of participants. While the Air Force Center for Environmental Excellence had over ten research participants, the Corps of Engineers – Kansas City District had only six research participants. The views were, however, mostly consistent. At no time did the researcher feel that entirely different opinions were given as responses to the research questions. This was positive in regards to the validity of the research, since there was such a small sample size. Also, the fact that AFCEE deals with global contracts and USACE-KC executes contracts in a strict geographical area may deem the two agencies incomparable. Based on the responses obtained by the research participants, however, both agencies experience many of the same influences in the selection processes.

Summary

This chapter provided an introduction to the IDIQ contract process and the issues surrounding this process. A brief history of the formation of the IDIQ contract was presented, as well as problems that have arisen with the IDIQ contract since its inception. The specific interest of the research to the IDIQ contract task award process followed, with overviews of the research methodology, scope, and assumptions/concerns.

Chapter 2 provides an in-depth view of the regulations that govern the execution of the IDIQ contract, as well as an overview of research that has been conducted in the private sector for similar buying situations. Chapter 3 reviews the methodology used for the research, to include the research design, the sample population, and the data

collection method. Chapter 4 provides a detailed review of the results of the data collections, along with detailed analysis of each topic of interest to the research. Finally, Chapter 5 provides conclusions that can be drawn from the analyzed data and recommends areas that may be of interest for future research.

II. Literature Review

Chapter Overview

This literature review includes discussions of the history and requirements of the indefinite delivery-indefinite quantity (IDIQ) contract and the current research and literature on private sector selection processes. The government has ordered audits performed at its agencies with the goal of gaining a stronger perspective on the selection procedures that those agencies use. Most audits, however, have searched for the existence of unfair practices rather than attempting to identify the actual reality of selection processes and influences. An overview of the audits performed is included in this literature review. Private sector research provides useful insight into the informal influences and cues of the service contractor selection process. An overview of the existing private sector research is provided.

Federal Acquisition Regulation and IDIQ Contracts

The Federal Acquisition Regulation (FAR) section 16.501-1 defines a “delivery order contract” as “a contract for supplies that does not procure or specify a firm quantity of supplies (other than a minimum or maximum quantity) and that provides for the issuance of orders for the delivery of supplies during the period of the contract” (Federal Acquisition Council, 2000). A “task order contract” is defined in the same manner but with services in place of supplies. The FAR states that the indefinite delivery contract may be used when the exact quantities or times of future deliveries of supplies or services are not known at the time of contract award.

The FAR lists advantages of the IDIQ contract tool as (Federal Acquisition Council, 2000):

- 1) Permits Government stock to be maintained at minimum levels
- 2) Permits direct shipment to users
- 3) Permits flexibility in both quantities and delivery scheduling
- 4) Permits ordering of supplies and services after requirements materialize
- 5) Limits the Government's obligation to the minimum quantity stated in the contract
- 6) Permits faster deliveries when production lead time is involved, because contractors are usually willing to maintain limited stocks when the Government will obtain all of its actual purchase requirements from the contractor
- 7) Provides for any appropriate cost or pricing arrangement

FAR section 16.504 regulates the IDIQ contract. An established preference for multiple awards is mandated. The contracting officer must give preference to making multiple awards of IDIQ contracts under a single solicitation for similar supplies or services to two or more sources (Federal Acquisition Council, 2000). In deciding whether a multiple award case is appropriate, a contracting officer must make a number of determinations. First, an attempt should be made to avoid situations where awardees specialize exclusively in only one or a few areas specified in the statement of work governing the contract. This would lead to sole source awarding, which limits competition and thus should be avoided. However, each awardee does not have to be capable of performing every requirement in the statement of work as well as all other awardees.

A contracting officer must provide fair opportunity for every contractor in the IDIQ pool to be considered for all orders exceeding \$2,500. There are special circumstances when fair opportunity may be sacrificed, but those cases are beyond the scope of this research. The FAR specifically states that contracting officers may use broad discretion in developing order placement procedures. The following is a list of items mentioned in the FAR that concern awarding orders using the IDIQ contract:

- 1) May use streamlined procedures, including oral presentations
- 2) Need not contact each of the awardees under the contract if sufficient evidence is on hand to ensure that each awardee is provided for a fair opportunity to be considered for award
- 3) May not use methods, such as designation of preferred awardee, that would not result in every awardee receiving a fair opportunity to be awarded the task
- 4) Tailor the procedures to each acquisition
- 5) Include the procedures in the solicitation and contract
- 6) Consider price as a factor for selection in each award
- 7) Consider past performance on previous awards
- 8) Consider impact of award on other tasks awarded to the contractor
- 9) Keep minimum order requirements in mind
- 10) **Formal evaluation plans or scoring of quotes or offers are not required**

The Federal Acquisition Streamlining Act (FASA) of 1994 has gone through multiple revisions since its implementation. Most of these revisions have stemmed from findings that contracting officers were not executing IDIQ contract procedures in

accordance with statutory requirements. Various audits were performed as a result of concern expressed over fairness and misuse of the contracts. The first audit was executed by the General Accounting Office (GAO) in 1998. Two other audits were performed by the Office of the Inspector General Department of Defense (IG/DoD) in 1999 and 2001. These audits identified two major concerns in task award procedures. First, agencies were naming preferred contractors. This practice of naming preferred contractors obviously limited the fairness received by all contractors when being considered for each task award. Second, contracting officers were making awards on a sole source basis. This eliminated the competition aspect of the award, and thus was seen as a potential waste of tax dollars.

The first audit, titled *Acquisition Reform: Multiple-award Contracting at Six Federal Installations*, was performed out of concern that federal agencies were avoiding competitive requirements when ordering under task- or delivery-order contracts (General Accounting Office, 1998). The six organizations reviewed were the Defense Information Systems Agency, the Department of Transportation, the General Services Administration, the National Institutes of Health, The United States Air Force, and the Standard Systems Group. The results of the study varied with the organization. One organization awarded 64% of task orders on a sole source basis. Another organization made a practice of naming preferred contractors in announcements of opportunities, which resulted in only one proposal being received in most cases. After the results of this audit were disclosed to Congress, federal agencies were directed to eliminate the practice of naming preferred contractors when announcing opportunities. They were also directed to revise procurement regulations to prohibit the practice. In 2000, the Federal Acquisition

Regulation Council revised existing regulations to limit the practice of sole source awarding and prohibited the naming of preferred contractors by agencies when requesting submissions for task award selections (Federal Acquisition Circular, 2000).

Buying Center Decision Making Processes

To date, the only published research examining government IDIQ contractor selection are Congressional audits and internal examinations performed by the agencies themselves. While formal methods of analyzing candidate contractors for task award have been examined and regulated, the informal methods have yet to be identified. Because most actual selections of contractors for task award are not made until multiple stages of selection are completed, soft factors often become the deciding factors for final selection. These soft factors have been researched in the private sector, although the research is not exhaustive. The current research examined the similarities revealed between selection processes at government installations and private sector organizations in hopes of applying knowledge already obtained in the private sector to the government.

For this research, government agencies that make task awards may be referred to as governmental buying centers. According to an article in the *Journal of Business and Industrial Marketing*, “the buying center concept suggests that organizational purchase decisions often involve more than one person, particularly in modified rebuy and new task purchases where some or all aspects of the purchasing situation are new to the organization (McNally, 2002). In this instance, the area of interest to buying centers is determining which contractors will best meet the organizational requirements of the task to be awarded. These decisions are often made using incomplete information on the

contractors. This incomplete information causes uncertainty, which in turn leads the buying center to search for generalizations that can be used to describe characteristics of successful contractors. These characteristics are identified using tools such as past performance ratings, peer evaluation, project manager experience, or base preference.

Even though most organizational purchase decisions are made more rationally than those by single consumers, dealing with incomplete information can often lead to differences of opinion between organizational decision makers. It is what causes these differences of opinion and the resolution of these differences that this research is interested in. Both informational and normative social influences affect decision-making within the buying center. Informational social influence involves accepting information gathered from another person as evidence of reality, whereas normative social influence involves conforming with the expectations of others (McNally, 2002). McNally states that social influence and organizational buyer behavior has received only a small amount of research attention. A possible reason given is the difficulty researchers find in collecting real-world data from organizational buying groups.

In 1982, Laughlin and Earley separated group decision tasks into two types: intellectual and judgmental. Intellectual tasks are decisions that have a correct and definite answer, like a mathematical problem. Judgmental tasks do not have one correct answer or decision. Judgmental tasks usually involve evaluative, behavioral, or aesthetic judgments (McNally, 2002). Evaluation of contractors for task award is largely judgmental. Research done by Kaplan and Miller in 1987 showed that informational influence is more prevalent in intellectual tasks while normative influence is used more

frequently in judgmental tasks (Day, 1992) Government buying center decision makers appear to be impacted by both normative and informational influences.

In the context of this research, government buying centers were seen as mixed-motive groups. In social psychology, decision-making groups are referred to as cooperative groups or mixed-motive groups. Cooperative groups are made up of members at equal status who all had the same stake in the outcome of the decision. Mixed-motive groups consist of members who do not share equally in the stakes of the decision and who are not of equal status (Komorita and Parks, 1995). This distinction is made because factors such as past relationships and political influences can lead to competition among decision making members.

According to an article in the *Journal of Business Research*, the decision-making uncertainty (DMU) of organizational buyers has a negative effect on purchase behaviors (Gao et al, 2003). DMU refers to the uncertainty that organizational buyers have in terms of the outcomes of a purchase decision. This area of research is of interest to this thesis because it deals with the relationship between organizational buyers and the providing contractors. Gao et al. (2003) state that “the emerging literature on interfirm trust in both marketing and management suggests that an important relational construct, buyers’ trust, deters the threat of opportunism and lowers buyers’ DMU”.

Being able to trust a contractor is an important aspect of the task award process. Trust can be defined as perceived reliability and integrity of a contractor and can be viewed in terms of confidence, consistency, and benevolence (Morgan and Hunt, 1994). If a government decision maker perceives a contractor to be trustworthy in these terms, they will be less worried about being taken advantage of by that contractor. In other

words, the higher the government agent's trust in a contractor is, the lower that government agent's DMU will be. Research conducted by Gao et al. (2003) supports this statement.

Day and Barksdale (1992) conducted a study on the process that organizations use to select professional services, such as architecture and engineering. They identified four dimensions that were critical to the final selection:

- 1) perceived experience, expertise, and competence of the provider
- 2) the provider's understanding of the client's needs and interests
- 3) the provider's relationship and communication skills
- 4) the likelihood of the provider conforming to contractual and administrative requirements

These four dimensions, notably 2 and 3, require the decision maker's subjective perception of the contractor. This is often greatly influenced by soft factors that emerge in the interaction between contractor and buying agency.

Day and Barksdale (1994) also discuss a critical difference between the initial selection of possible providers and the further evaluation of the "short list" for actual task award. This corresponds to the initial source selection that contractors must pass before they can be included in an IDIQ contract pool and the actual process of task award. Aspects influence these different stages in varying degrees.

Ralph G. Kaufmann (1996) review existing literature pertaining to buying center decision making and identifies four categories of sources of influences that impact buying decisions: individual characteristics, group factors, organizational factors, and environmental factors. This categorization provides a framework for breaking down the

whole buying decision, enabling a more thorough understanding of the total process that buying centers use when making selections.

Research in the private sector suggests that marketers may be able to alter their personal interactions with purchasing managers in ways that would increase the purchasing managers' efficiency, power, and certainty (Tellefson, 2002). Examples of these possible alterations are providing faster responses to information requests or adjusting the way information is distributed to the buying firm, which would involve little or no cost (Tellefson, 2002). Recent research also suggests that today's buying centers are different from traditional buyers that needed to be sold and could be manipulated (Reid et al, 2002). Buyers now tell salespeople what they want, and expect salespeople to listen, cooperate, and provide them with the information they need.

Naturalistic Decision Making

In the initial stages of the research, an attempt was made to match the selection process to a naturalistic decision making model. Initial interviews, however, led to the conclusion that an attempt to match this selection process to a naturalistic decision-making process would benefit neither the government nor the contractors in this business relationship. The final product would not be applicable to field conditions. However, a review of the naturalistic decision making models in existing literature is discussed. The closest naturalistic decision-making sub-model that was encountered was Henry Montgomery's Search for Dominance Structure (Klein & others, 1993). The aspect of this sub-model did seem a close fit at times. In the end, a grounded theory approach was adopted in order to make the research more thorough, applicable, and accurate.

Grounded theory is a discovery methodology where theory emerges from data that is gathered directly from the field. In the absence of previous theory in this area, grounded theory became the logical approach for the purpose of gathering rich data.

III. Research Methodology

Chapter Overview

This chapter discusses the method of which data was gathered and analyzed with the purpose of answering the research questions posed in Chapter 1. A qualitative approach was conducted in gathering data for this research. The rationale behind the chosen methodology, as well as the rationale for sample selection, is reviewed. The research respondents were not questioned on their interpretation of the regulations laid forth in the Federal Acquisition Regulation (FAR), but rather on their perceptions of the influences and factors that affect contractor selection using the Indefinite Delivery – Indefinite Quality (IDIQ) process.

Research Design

This research was a qualitative effort, depending on lengthy, open-ended interviews with the selectors in the IDIQ task award processes. The qualitative approach allows for the gathering of a wealth of information that allows issues to be studied in depth and detail (Patton, 2002). The data collection process was nonmanipulative and noncontrolling with a lack of predetermined constraints on findings, in accordance with guidance found in Patton's literature on qualitative study (Patton, 2002). Throughout the process, the research remained open to adaptation as understanding and insight of the selection process grew.

A series of interview techniques were employed to gather rich data, beginning with informal conversational interviews and following with interviews led by a general interview guide. Initially, a trip was made to the Air Force Center for Environmental

Excellence (AFCEE) to administer a series of informal conversational interviews. A direct contact approach was taken, giving the results the chance to come directly from the empirical world (Glaser & Strauss, 1967). The research relied on these informal conversational interviews to establish the direction that the research should take. This method allowed the flexibility to structure the study in the most appropriate manner. There were no predetermined questions, but only a broad area that encompassed the selection process. Research participants were given the opportunity to discuss the aspects of the selection process that they felt had the biggest impact and were the least understood.

Following the initial round of data gathering, a general interview guide method was taken. This method involved outlining a set of topics that were to be covered with each respondent before the interviewing process began (Patton, 2002). For this purpose, an interview guide was prepared. The interview guide ensured that each person interviewed receives the same line of inquiry. Setting forth a guide to the interview in the later stages of data gathering was necessary due to time limits on both the interviewer's and interviewees' parts. This interview guide is included in Appendix A.

The sample members were questioned on elements of the decision-making processes used and factors and settings that influence the outcome of the selection process. Both face-to-face and phone interviews were conducted. These interviews were bolstered by follow up e-mails that included reiterations of questions that were important to the research. Past task awards were discussed and government agents that took part in the award process were interviewed in depth to understand the drivers of the selection. Interviews were loosely structured to allow the uncovering of individual experiences and

influences. Data was grouped into categories and analyzed for consistent or diverging perspectives. The two cultures in the sample (Air Force and Army) were compared for similarities and differences.

The qualitative approach was appropriate because of the lack of previous research into the IDIQ contractor selection process at government installations. The findings were relative to government agencies, as two different organizations, each with their own culture studied in the research. The qualitative methodology enabled the research to capture the complexities that arise as government agents make selections for task award. This approach has shown that these complexities can be captured, allowing researchers to fully understand subtleties that play a part in a given situation (Locke:95, 2001).

Existing research on selection processes at civilian “buying centers” was reviewed for possible matches to the results of the interviews conducted for this research. There was not an overabundance of research that dealt with the selection methods used in purchasing services, such as architectural-engineering or environmental remediation, but the research that has been conducted can be of much use to the government and those contractors that wish to win government task awards.

A qualitative research approach was taken to allow the gathering of rich data. This allowed the capture of small nuances and influences of the selection processes. The qualitative approach was also taken in most private sectors research that examined the selection process of the purchase of services by buying centers. The research was accomplished through grounded theory and now research with a goal of defining informal processes of selecting contractors for task award through the IDIQ contract tool. Grounded theory and research is a discovery methodology where theory emerges from

data that is gathered directly from the field. This methodology seemed the best fit for the research because there is an absence of information and previous theory in the area of informal decision processes in IDIQ contractor selection. Also, grounded theory research is a highly evolving research process that tends to be based on sociological processes and norms. The constantly emerging data generates new theories that attempt to explain human nature and tendencies. Attitudes, biases, perceptions and other such drivers influence human action. Grounded theory is the most applicable research method to encompass and capture these elements. The grounded theory approach allows the researcher, through open conversation and interviews, to immerse themselves in the field and see the process through the eyes of the research participant. Only by doing this can the researcher conceptualize and make use out of the data gathered.

None of the decision event theories seemed to adequately frame this problem. Existing theories will, however, be reviewed as more data is collected from the field for possible reflection.

Population

The Air Force Center for Environmental Excellence provides Air Force leaders with the comprehensive expertise and professional services necessary to protect, restore, preserve, develop and sustain the nations environmental and installation resources (AFCEE Website). It is the field operating agency of the Air Force Civil Engineer. The AFCEE mission is to provide a complete range of technical and professional services and environmental and installation planning engineering, and military housing construction and privatization. Employing 315 authorized civilians and 46 military members, and

partnering with many of the nation's most respected and capable contractors, the center's multibillion-dollar contracting capacity covers the entire spectrum of environmental and construction management services.

AFCEE has a total of nine IDIQ contracts currently in operation. Each is listed in Appendix C with a general description that includes the program ceiling and number of contractors. This information was taken directly from the AFCEE website at www.afcee.brooks.af.mil.

The U. S. Army Engineer District, Kansas City (USACE-KC), plans, manages and executes civil works, military, environmental, and emergency response programs within assigned areas of responsibility to support the nation's military and engineering needs (website). According to USACE'KC's vision statement, they are the world's premier engineering organization. The organization is trained and ready to provide support anytime and anyplace. The Kansas City District is one of 40 districts in 11 divisions. Its missions include Civil Works, Military Construction, the cleanup of Hazardous, Toxic and Radiation waste. Its Civil Works boundaries take in parts of Missouri, Kansas, Iowa, Nebraska, and Colorado. Its Military Construction boundaries encompass the states of Missouri and Kansas. It is responsible for the U.S. Army Reserve Design Program in 10 states stretching northward from Missouri. It is the primary design district in 7 states and the secondary design district in 8 states for the Hazardous, Toxic, and Radiological Waste cleanup program, and it is responsible for Naturally Occurring Radioactive Materials Disposal (non-fissionable materials) for the entire United States. This information was taken directly from USACE-KC's website at www.nwk.usace.army.mil.

Data Collection

The method of data collection for this research varied slightly between organizations. Two separate visits were made to the Air Force Center of Environmental Excellence (AFCEE). Face-to-face interviews were conducted during these visits. The Corps of Engineers, Kansas City District, interviews were conducted over the phone.

As stated earlier, informal conversational interviews with members of the AFCEE organization provided the direction for the focus of the research. Data gathered in this initial stage was used to create a general interview guide that was then applied to interviews at both AFCEE and USACE-KC.

The interviews at AFCEE were executed by sitting with the research participant in a secluded area where they felt comfortable discussing sensitive information. The interviews were started by the researcher asking the participants to give an explanation of the task award process from top to bottom. The direction of the interview was then determined by the research participant's reply. The researcher then asked questions, based on the participant's verbal and nonverbal reaction. Those areas in which the participants felt strongly were explored further. Throughout the interview, participants were also asked questions that the researcher felt were important to the research. These questions included organizational influence, personal preference, and the participant's view of influences on the selection process. These interviews lasted between 15 and 45 minutes. The amount and intensity of feedback varied among participants.

The USACE-KC phone interviews were set up by a point of contact at the District. The number of participants at USACE-KC was smaller due to the time

constraints and a smaller number of personnel. The interviews were started by asking the participants to explain the selection process for task award. Any aspect that might contribute to the research was investigated. The phone interviews were more direct than the initial interviews at AFCEE since the earlier experience helped form some concepts of the process. These interviews lasted between 15 and 40 minutes. Follow-up e-mails were sent to allow further expressions by the participants.

Both interview methods provided valuable information. The initial face-to-face interviews provided the depth and understanding between those taking part in task selection and the researcher. With this ground level view, the researcher was able to conduct the phone interviews in a manner that gathered data nearly as efficiently as it was gathered in the initial interviews.

Summary

This chapter discussed the methods and protocol of the data gathering process of the research. A combination of informal conversational interview and general interview guide approaches were taken to ensure the collection of rich and encompassing data. This rich data allowed a thorough analysis of influencing trends that occur in contractor selection

The foundation of this approach was set forth in Patton's Qualitative and Data Collection (Patton, 2002). Data collection methods allowed the research questions outlined in Chapter I to be thoroughly examined.

IV. Results

Chapter Overview

As mentioned in Chapter 1, the purpose of this research was to gain a better understanding of the selection processes for awarding tasks to an Indefinite Delivery – Indefinite Quantity (IDIQ) contractor, notably the influences that affect those selection processes. The Federal Acquisition Regulation (FAR), the U.S. Government's authority on contracting with the private sector, gives selection team members freedom to use personal judgment to determine the contractor that represents the best value to the government. The research was accomplished through a literature review of the available material on service purchasing in the private sector and lengthy, open-ended interviews with selection team members at the Air Force Center for Environmental Excellence (AFCEE) and the U.S. Army Corps of Engineers – Kansas City District (USACE-KC).

Factors Influencing IDIQ Contractor Selection for Task Award

Factors that influence selection outcome are divided into two groups, hard factors and soft factors. Hard factors consist of aspects such as the contractors' current workload, proximity to task site, financial capability, or workforce. Hard factors are most often identifiable by their objective properties. Soft factors are subjective in nature. Soft factors become a large part of the selection process when the list of possible choices has been significantly narrowed through prior selective measures. Soft factors include personal chemistry between government personnel and contractor points of contact, trust placed in a contractor by a selection team member, or personal judgments made about a contractor by a selection team member.

Many experiences and personal aspects affect the subjective nature of the soft aspects that influence selection. Each selector is unique, so trying to identify every experience and personal viewpoint that affects selection would go beyond the scope of this research, and would not be generalizable. For this reason, recurring themes and influences were sought during the research.

Research participants stated that hard factors were the main discriminators in the source selection process where contractors are initially selected to take part in the IDIQ contract for a specified period of time. Rarely are any of the firms that make it into the IDIQ selection process unqualified for tasks that were later awarded. Since only the most capable contractors make it through the source selection, it becomes more difficult to objectively discriminate them from one another in later selection processes for actual task award. Subjective methods become a large part of the selection process for task award once contractors have been through the source selection process.

Research participants listed many soft factors as influencing aspects of contractor selection. These included past experience with a contractor, trust issues, compatibility between government project manager and contractor project manager, comfort zones, customer preference and personal evaluations of the contractor properties. These soft factors were mainly listed as influencing factors that gained importance as the selection process neared task award.

Certain actions taken by a contractor highly influenced the subjective judgments made by selectors. Exhibiting a willingness to work as a team with the government was discussed as lowering the risk a selector felt when recommending a contractor for task award. Also, the manner in which a contractor handled contract modifications in past

performances was noted by most research participants. If a contractor used a contract modification to inflate costs as a tool to increase profits, they often hurt their chances of being considered for task award for future tasks. This harm can greatly outweigh the current benefits a contractor received.

Customer preference plays a large role in the selection process for both AFCEE and USACE-KC. Many of the Kansas City district contracts go to repeat customers such as the Environmental Protection Agency (EPA). Because these customers are often familiar with the few contractors in the IDIQ pools, they often take part in the selection process. It is not uncommon to find a customer representative on the selection board. Due to this arrangement, customer preference can play a large role in the selection process. AFCEE selection members always ask the customer for any contractor preferences they may have for completing a task. This preference could be used either for creating a final list of contractors to select from or for a final task award. If the customer does have preference, it often overrides the preferences of the AFCEE selector's recommendation.

Informal Network Influence on Contractor Selection

An informal network is the mouth-to-ear method of passing information, biases and informal evaluations from one member of an organization to another. The simplicity of this system makes it widely used and a large factor in the selection process. The informal network was identified as the most used method of a selector gaining information on a contractor. Every respondent that participated in the research mentioned the informal network as an influence on their selection recommendations.

Both organizations that participated in the research had a robust informal network in place. This informal network allowed selection team members to benefit from the combined experience of other organization members. The informal network was not confined to the organization itself, but included input from other districts and from customers that had past experiences with the contractors.

The formal rating database is a tool the organization uses to allow organization members to formally pass on contractor performances of the past. This database, however, is normally only used when a selector is considering using a contractor with whom they have not previously worked, and even in this instance, members seem more likely to ask peers about past experiences with a certain contractor. Also, the databases only screen out extreme cases of contractor performance. An extreme high or extreme low rating must be documented thoroughly. A satisfactory rating can be documented easily, and thus does not carry much weight. Organization members voluntarily enter this documentation into the database. Without incentive, one can see why this doesn't always happen. A satisfactory rating does not require near the amount of documentation that an extreme rating requires. It is much easier for members to use the informal network instead.

Project managers often discuss their experiences with contractors amongst one another. According to research participants, extreme successes and failures are passed on immediately to other project managers. If a contractor is rated high in the database for performance but has had problems with government project managers in the past, that information was informally passed on to the selection team. This is an example of the

power of the informal network. Information on contractors is easy to pass on through word-of-mouth.

Less experienced selectors, or those that had held their positions for shorter periods of time, relied more heavily on the informal network. This may stem from that selector not having an extensive amount of experience with the numerous contractors in the IDIQ pools. Also, if a selection team member was not an expert in the field that the task encompassed, peers were consulted for information, which in turn influenced the selector's award recommendation.

The informal network played a very large role in thinning a large contractor pool down to a manageable number of contractors. A selection team or member used the informal network to whittle a list of 30 or more contractors down to 4 or 5 contractors in many cases. The elimination of a contractor from the final list could simply be a bad review by a peer of the selector. A contractor that made a final list may have done so simply by having a trusting a positive relationship with another project manager that passed on the information through the informal network.

Influences of the Contractor Marketing Process

Marketing is the process by which contractors attempt to garner task awards from the buying center. The government buying centers participating in this research are AFCEE and USACE. Based on input from both organizations, the marketing process was felt to be excessive and time consuming. The overwhelming majority of respondents described marketing as an inefficient process that drains a huge amount of manpower. While selection team members agreed that contractors should make themselves known to

those who are influencing the final task award decision, they felt that the large majority of marketing that takes place does not influence the actual selection process. In fact, most participants agreed that at times, the marketing process may even negatively affect a contractor's chance of being selected for final task award. Unscheduled marketing visits were specifically mentioned as being unwanted and unproductive on both the government and contractor sides.

Some initial preferences to the marketing approach surfaced during the research interviews. In terms of preparation, selectors prefer a contractor to be knowledgeable on the subject being discussed, namely a particular task or base. Contractors that show knowledge of the base at which the task is to take place and on the specifics that task have better interactions with selection team members. Contractors might gain preference by being factual rather than performing a “dog and pony show” sales pitch. Well prepared contractor project managers (PMs) were discussed more positively. It seems that it reflects well upon a contractor PM that can discuss a site in depth, rather than only superficially through information gathered on the internet or over the phone. Site visits and prior work at a site gives the contractor this depth of knowledge that AFCEE selectors prefer.

Contractors that present an attitude of entitlement due to a previous service, rank, or job title also create a negative impression. The selectors prefer that the contractor show why that entitlement should be given. A very positive reaction was produced when a contractor had previous job title, but only used it as a reference to explain how the contractor is knowledgeable and capable of performing a task. For example, if a contractor project manager used previous rank or position as a guide to working with a

government project manager, it was discussed positively. One member at AFCEE stated that a contractor always knew what submissions were needed and provided them in a very timely fashion. These were not only required submissions, but information that the contractor project manager knew would make the government project manager's job easier. This knowledge was gained by the contractor project manager while working as a government agent in a similar position. The contractor knew that the government agent briefed progress dates and made submissions to higher ranking members and that the changing of those dates and information caused stress to the government agent. This is an example of positive ways for a contractor to utilize previous rank and position.

Truthful representation by the contractor was also discussed positively. If a contractor did not have full understanding of a situation, task, or capability, and stated such, it seemed to create a sense of trust between the selector and the contractor. This, of course, is only true if the contractor shows an intention of gaining the knowledge that is lacking to benefit both the government and themselves. One research participant stated that he preferred working with a contractor that admitted an ignorance, if there existed one, rather than always saying they could accomplish a job without being able to discuss details. The contractor that admitted ignorance, however, must and did show an effort to determine his company's ability to perform the task. If, after exploration, the contractor found they were incapable of fulfilling a task requirement sufficiently, it was truthfully discussed with the selection team member. This developed a trust in the contractor that returned benefits in the form of the selection member feeling less risk when recommending a task award to that contractor.

Printed materials, such as brochures or publications, touting the capabilities of a contractor were discussed negatively. Most research participants stated that most printed material they received from contractors was not even read. The risks that selection team members feel when making a reward are rarely diminished through brochures or printed material.

One positive aspect of the marketing process that the majority of respondents discussed was the briefing of innovative processes by a contractor. Also, if a contractor exhibited the ability to perform at a level much higher than contemporaries, government project managers were often eager to learn the reason. These marketing techniques allow government agents to see what is available in the market, especially if they have not worked with that particular contractor or innovation.

Differences in Influences on Selection Processes

One interest of this research was to identify possible differences in influences on the selection process between AFCEE and USACE. The significant differences that were uncovered were a result of differences in geographical responsibilities and the sizes of contractor pools from which contractors were awarded tasks.

Most of the customers for USACE-KC are repeat customers, such as the Environmental Protection Agency (EPA). Because of this, the customers are usually very familiar with each contractor in the pool and thus take a part in most selection decisions. Customers represented by AFCEE do at times have a preference, but because AFCEE's responsibilities are much larger geographically than USACE-KC's, the customers often are not as familiar with the available contractors. Because of this, AFCEE will often

make the selection without input from the customer. If, however, the customer does have a preference, then it is strongly taken into consideration for final task award.

In addition, the contractor pool sizes at USACE-KC are smaller than the majority of AFCEE IDIQ contractor pools. As a result of smaller pool sizes at USACE-KC, the current workload of a contractor may be more of a factor, as is “turn-taking” between contractors. Also, the smaller IDIQ pools most often do not require the additional selection stage of forming a final list of contractor candidates for final task award.

V. Conclusions and Recommendations

Chapter Overview

This chapter discusses the conclusions that can be made based on the analysis of data that was gathered from the Air Force Center for Environmental Excellence (AFCEE) and the U.S. Army Corps of Engineers – Kansas City District (USACE-KC). These general conclusions are in respect to the research questions posed in Chapter I.

The multiple award IDIQ contract is a very useful tool to the United States government. It allows tasks to be awarded and completed in a more efficient way while at the same time reducing risk to the government. This research sought to gain a better understanding of the selection process for task award. This was accomplished using in-depth interviews with members of the organization that participate in the selection process. Conducting face-to-face interviews provided rich data that could be analyzed for informal influences that affect the final selection decision.

Government – Private Sector Selection Process Comparison

This research shows multiple similarities between government agencies and the private sector in contractor selection processes. Many of the same influences were uncovered through interviews with research participants at AFCEE and USACE-KC as were identified in existing private sector research. Based on these similarities, the government should be able to confidently take advantage of research conducted for selection processes in the private sector. The government can apply the concepts in existing research to reduce risk in awarding tasks to contractors. Contractors can more

efficiently market themselves to the government as well, creating a better union between the two.

Private sector research attempts to separate the stages in a selection process, making the process more manageable for analysis. By comparing the selection stages the government buying process incorporates, from source selection to task award, to the stages of selection in the private sector, more insight can be gained. In addition, identifying cues for action is discussed in private sector research, offering the opportunity for more understanding between buying center and offerer.

AFCEE – USACE-KC Comparison

Although there are a few differences, both the Air Force Center for Environmental Excellence and the Army Corps of Engineers -- Kansas City District are viewed as organizational buying centers. Both organizations use multiple players in the decision-making process. These multiple players consist of members of unequal status with different stakes in the outcome of the final decision. Both organizations also make task awards based on incomplete information, which leads to risk management issues.

Contractor pool sizes and geographical responsibilities should be kept in mind when making comparisons or generalizations about a buying center. AFCEE and USACE-KC showed that selection processes may slightly differ due to differences in these areas.

Factors Influencing Selection

Customer preference probably plays the biggest role in an organization's task award decision. Based on interview results, the researcher can say that both organizations

always try to make the customer happy. Customers can include members at installation or the Environmental Protection Agency (EPA), for example. If a customer takes a hard stance for one contractor, many of the decision steps at the organizational buying center are skipped. Unless there are special circumstances, the customer always gets what they want. Examples of special circumstances include: a contractor misinforming the customer, unethical business practices, ignorance on the part of the customer, contractor overload, or past problems with a contractor.

Contractor expertise can also limit the decision-making process. If one contractor clearly stands above the rest in their ability to perform a task, then that task should be awarded to that contractor. This does not often happen, however, because in the initial source selection for the IDIQ contract groups the contractors into those most capable. These contractors can usually handle most jobs in their area of expertise.

An organizational member's relationship with the contractors in the IDIQ pool is affected by many different influences. A comfortable relationship with the contractor point of contact is always preferable for the organizational member. If the contractor POC is someone the organizational member can consider a friendly acquaintance, then that contractor had a better chance of being selected for task award. Other factors that this research doesn't address may include discriminators such as age, race, or sex.

Informal Network

The informal network allows organizational members to gather data on a contractor using other organizational members' relationships and judgments on the contractor. The informal network at both organizations was highly used. Contractors need to be aware of

the significance of the informal network at governmental buying centers. Relationships with any project manager in the organization, whether good or bad, can influence the judgments of other members of the organization. Contractors must also realize that the formal rating system used at these governmental buying centers is at most times a lesser influence than the informal network. Developing a good relationship and building trust with multiple members of the organization can be the most effective method of ensuring future task awards. Those that were newer to the job tended to rely on the informal network to a greater extent than the veterans who had been in place for quite some time.

Contractor Marketing Process

The marketing processes that both organizations experienced were viewed largely negatively. This stemmed from the fact that it created a very large drain on manpower at the organizations. Drop-ins were viewed very unfavorably, especially if it was unannounced. Project managers expressed that their selections were not influenced in the least by items such as brochures and pamphlets, or by salesmen who were constantly pressuring them for upcoming jobs. In fact, this in many cases created a feeling of avoidance in the decision maker. When asked how a contractor might more efficiently spend their and the government's time in the marketing process, most participants replied that contractors should limit themselves to making brief calls periodically to ask about upcoming tasks to be award. If the decision maker needed the contractor to come in for further discussion, then that could be arranged during the brief phone call. Exceptions were mentioned for presentations on innovative or extremely successful processes used by a contractor to perform tasks.

In general, contractors need to examine their methods of marketing to the government selectors. The marketing process and relationship should feel efficient and productive on both government and contractor sides.

Recommendations for Future Research

Future researchers might attempt a quantitative study on the topics covered in this research. This would provide the opportunity for a greater sample size to be tapped, which would in turn facilitate comparison and statistical aggregation of data. A quantitative study would lend more strength to the results of this research.

Also, future research endeavors might be made into other government organizations, such as the U.S. Navy, General Services Administration, or the Department of Transportation. The results of the current research could then be compared and linked to other government organizations, providing results that could be more generally applied.

Finally, future research might be conducted with contractors that serve as members of IDIQ contractor pools. Gaining perspective from this side of the government-contractor relationship would be of great value to the current research. By comparing data gathered using contractors to the current research, one might find it easier to identify areas where the relationship is grossly inefficient.

Summary

The selection process at AFCEE and USACE-KC can often be very subjective. Because contractors in the IDIQ pools are often equally qualified, soft factors are

employed as selection criteria. An understanding of the factors that influence the selection process is critical for both the government and contractors. A more efficient relationship is needed. Further examination of research performed in the private sector would be useful to anyone involved in the selection process.

Appendix A. General Interview Guide

IDIQ Selection Process Interview

This interview is for the purpose of gaining information on the informal decision processes used by government selectors in the multiple award indefinite quantity-indefinite delivery contract award process. Members will be interviewed to determine if the selection of a best value to the government follows a naturalistic decision pattern.

Note: While this is the general structure of the interview, differences may occur due to the interviewee. The interview is very unstructured and largely driven by the member being interviewed.

What is your position here?

How long have you been responsible for making award decisions?

Describe the IDIQ selection process you use.

What are characteristics you look for in a contractor beyond those specified in award regulation?

Do you ever feel time stress when making an award selection? Does it change the way you select?

When the size of the contract is larger, do you change your selection methods at all?

Do you deal with incomplete or ambiguous information on the contractors or the task you are awarding? How do you handle this?

Do shifting, ill-defined, or competing goals ever enter into the selection process? How do you deal with this?

Is the area in which you base your selection dynamic? How do you deal with changing criteria and information?

How do you deal with or work around missing and uncertain information?

Are you ever helped with the selection decision? Do co-workers or supervisors influence your decision in any way?

Do organizational goals and norms influence your selection decision? Has your organization created standard operating procedure in the selection process?

How large a part does your expertise in the field of which you are awarding a task come into your decision process?

Have you changed your selection methods since first beginning the position?

Do you think your best value decision might differ from another member of the organization's best value decision?

How much instruction are you given on what determines a best value to the government?

Do your own personal values, separate from the organization values, determine any part of the selection process?

Do you feel your expertise in the field in which you are making an award plays a large role in your determination of best value?

When determining a best value contractor are you more concerned with identifying a satisfactory choice or identifying the very best choice?

Do you use a grading sheet to evaluate contractors?

What are your methods for screening out candidates for award?

How do you feel about contractor marketing?

What causes a contractor to stand out to you?

What contractor actions cause you to favor them?

What contractor actions cause distrust?

Two contractors are equally qualified for a task: How do you choose between them?

How does the informal network in your organization influence selection decisions?

Appendix B. Questionnaire Results

A synopsis of the responses to questions posed to the research participants is shown below:

Describe the IDIQ selection process.

Research participants at both AFCEE and USACE reported that the process of selection was a team effort and that no selections were made by a single individual. Some members may have more influence on the final selection decision, but the process always had inputs from multiple players.

What characteristics do you look for in a contractor besides those specified in regulations?

Selection team members look for a contractor that exhibits a willingness to operate on a teamwork level with the government. They want contractors to work with them when dealing with contract modifications or end of the year funding. An honest and open relationship should be had by the government pm and the contractor pm.

Does time stress affect the way members make decisions?

Participants unanimously said that the method of selection is not affected by tasks that are accompanied by higher time stresses.

Does contract size affect selection process?

Research participants gave no indication that the size of a contract changed the selection process in any way.

Does incomplete or ambiguous information get used in the selection process?

In terms of subjective judgments made by the selection members, yes. Government agents must compare aspects of contractors that cannot be measured on a scale and aspects that may change with the selection member. Issues such as trust placed in a contractor, chemistry between selector and contractor personnel, and contractor commitment to a team effort are all aspects that research participants listed as grounds for selecting a contractor for task award.

Do shifting, ill-defined or competing goals influence the selection process?

They probably play less a role in the government agencies than they do in the private sector. Government agents are told to award the task to the contractor that represents the best value for the government. The only time a competing goal will rise is usually when one contractor represents the best value to the government but the task must be awarded to a contractor who hasn't received the required dollar amount of projects. When this happens, the under-awarded contractor will receive the award because it is a hard requirement and the "best value" decision is often ambiguous, which is the reason for this research.

Are the selection criteria dynamic?

In terms of during the selection of one task, no. In terms of between different tasks, yes. Many aspects can take a large role in the selection criteria for a job. Customer preference, for example, can often overrule the recommendations of the selection team.

Do co-workers or supervisors outside of the selection team ever influence the selection decision?

Yes, the informal network at both AFCEE and USACE is very robust. Selectors often request information on contractors being considered for award from peers. In fact, both agencies have a formal grading format in which contractors are rated and put into a database for other members of the organization to use. While this database is used, the informal network is used more often and has a greater influence on the outcome. This may be because it takes extra work to rate contractors, especially in extreme cases such as excellent or poor ratings.

How large a part does your expertise in the field of which you are awarding a task come into your decision process?

If a selector has a high level of expertise in the task which is being awarded, they may have more confidence in judging the ability of the contractor to successfully execute a project. If not, the selector may use aspects such as personal chemistry with the contractor personnel to make a selection recommendation. Either way, the selection judgment is most often based on soft factors.

Have you changed your selection methods since first beginning the position?

The biggest change that research participants revealed is the tendency to rely less on the informal network as they gain experience with all contractors in the IDIQ process. As

they gain more experience, however, they are also usually approached for informal recommendations by other members without as much experience.

Do you think your best value decision might differ from another member of the organization's best value decision?

Most members admitted that selection recommendations may change between members of the organization. This is due to the subjectivity of the factors on which selectors base their decisions. Soft factors become the criteria for selection since all contractors in the IDIQ pool have already met the hard criteria that is used in the source selection.

How do you feel about contractor marketing?

A large majority of research participants expressed dissatisfaction with the marketing process used by contractors. Most stated that the marketing process consumed much of their time and did not play a large role in the selection process. For the most part, they thought it was unnecessary.

What contractor actions cause you to favor them?

Contractors that exhibited a willingness to work as a team with the government brought about a level of trust that made many selectors favor them. Those that kept project managers involved with projects and stayed on schedule were also viewed favorably.

What contractor actions cause distrust?

Contractors that take advantage of the government when the opportunity arises are viewed with distrust by selection team members. Examples of this include demanding higher fees for contract modifications and taking advantage of the system during end of year project funding.

Appendix C. Research Participant Information

	AFCEE	USACE
Members Contacted	42	6
Research Participants	11	6
Average # Years on Job	5	9

The methods of contacting research at the Air Force Center for Environmental Excellence (AFCEE) and the U.S. Army Corps of Engineers (USACE) differed. At AFCEE, a list of project managers was obtained and the researcher contacted each project manager individually. Those that showed an interest or willingness to participate in the research were interviewed and included in the research. At USACE, a point of contact was consulted and set up interviews with the research participants. The researcher did not know if these participants were interested or willing to volunteer for the research, but all participants contacted contributed to the research.

Initially, the U.S. Navy was to be included in the research to make the results more generalizable across the cultures in the Department of Defense (DoD). However, due to a lack of response from those Navy organizations contacted, only the U.S. Air Force and the U.S. Army are represented in the research.

Appendix D. Research Approval Letter



DEPARTMENT OF THE AIR FORCE

AIR FORCE RESEARCH LABORATORY (AFRL)
WRIGHT-PATTERSON AIR FORCE BASE, OHIO

20 October

2004

MEMORANDUM FOR AFIT/ENV
ATTN: Jason Blevins

FROM: AFRL/HEH

SUBJECT: Approval for the Use of Volunteers in Demonstrations

1. Human experimentation as described in Protocol 05-02-E "Information Decision Driver/Models in the Indefinite Delivery - Indefinite Quality Contractor Selection Process" may begin.
2. In accordance with AFI 40-402, this protocol was reviewed and approved by the Wright Site Institutional Review Board (WSIRB) on 7 October 2004, the AFRL Chief of Aerospace Medicine on 15 October 2004.
3. Please notify the undersigned of any changes in procedures prior to their implementation. A judgment will be made at that time whether or not a complete WSIRB review is necessary.

Signed 20 October 2004
HELEN JENNINGS
Human Use Administrator

Appendix E. AFCEE IDIQ Contract Information

GEITA: Global Engineering, Integration and Technical Assistance

The GEITA contracts support AFCEE's technical capability with professional Advisory and Assistance Services (A&AS) in support of Environmental Restoration, Base Realignment and Closure, environmental conservation and planning, and environmental quality programs. In addition, GEITA provides A&AS in support of pollution prevention and compliance aspects, infrastructure and weapons systems, Air Installation Compatible Use Zone, Environmental Impact Analysis Process, Air Force-Environmental Management Information System, and the Air Force Military Family Housing Privatization Initiative. The GEITA program ceiling is \$150M. There are four contractors in the GEITA IDIQ pool.

4P A-E: Worldwide Planning, Programs, and Design – 2003

the world wide planning, program, and designed contracts. Support the four AFCEE pillars: environmental conservation and planning, environment quality, environment restoration, and design construction. 4P A-E contract other follow-on contract to 3P A-E. 4P A-E contract consist of multiple awards of Indefinite Delivery/Indefinite Quantity contracts. The program ceiling for 4P A-E is \$1.1 billion. The government may unilaterally increase the program ceiling up to \$2.75 billion based upon requirements and usage. The 4P A-E Contracts offer a full range of Title I, Title II and other architect - engineer services to support environmental and traditional programs and locations worldwide. There are 30 contractors in this IDIQ pool.

AE45PC: Architectural, Engineering and Planning Services

This contract will provide Architectural, Engineering and Planning services primarily for military family housing, force protection, commercial facilities and infrastructures located in the Pacific Rim area, Continental United States and other military bases worldwide. Requirements may include, but not be limited to: (a) Title I Services - schematic designs, design charrettes, existing building conditions plans, preparation of specifications and construction contract documents, value engineering, cost estimating, landscape and irrigation designed; (b) Title II Services - construction management and inspection, some middle reviews, site visits, preparation of as-built drawings; (c) Other Services - preparing, revising an aching Air Force civil engineer publications, design guides, handbooks, and tutorials; interior design; project programming (DD Forms 1391), and Requirements and Management Plans (RAMPS); renderings; installation (military base), site, utility, traffic, facility, and interior space utilization planning studies and analyses; surveys and reports including geotechnical, topographic, environmental, hazardous material (asbestos, lead based paint, etc.), and facility condition/utilization assessments/analysis. There are seven contractors in this IDIQ pool.

DB+: Design Build Plus

AFCEE's Design-Build Plus (DB+) Indefinite Delivery Indefinite Quantity (IDIQ) construction services contract was awarded on 10 Jan 02. Contract scope focuses on constructing military family housing, but will accommodate other functions such as

dormitories, transient lodging facilities, and administration facilities. DB+ services are limited to CONUS, Hawaii and Alaska. Projects are awarded by task orders with no minimum or maximum on orders. There are three contractors in this IDIQ pool.

DB03+ Design Build Plus 2003

Design Build Plus 03 (DBP03) is a multiple IDIQ contract with awards to nine (9) contractors under a Full and Open (F&O) program. The program ceiling for DBP03 is \$2.1 billion with the potential to increase to \$5.25 billion.

Military Family Housing Privatization Portfolio Management

AFCEE has been designated as the AF Portfolio Manager executing all processes, procedures, and activities necessary to manage the post-closing risks and issues associated with AF housing privatization projects ensuring long term success. Responsibilities include; monitoring and evaluation, reporting, solution implementation, fiduciary responsibilities, and document management for the 50 year life of housing privatization projects. Centralized Portfolio Management is key to monitoring a portfolio of 40+ AF installations (more than 40,000 homes).

Portfolio management:

- Provides key stakeholders with timely and relevant assessments of performance
- Provides early identification of and intervention into issues impacting performance
- Provides and facilitates solutions, data flow and standardized reporting
- Enables the Air Force to identify and disseminate best practices and lessons learned
- Provides a consistent approach to evaluation and problem resolution
- Provides continuity in oversight

The program ceiling on the portfolio management contract is \$29M. There is one contractor in this IDIQ pool.

PSC: Privatization Support Contracts

AFCEE, the Air Force's center of excellence for housing privatization, has developed a program that matches Air Force requirements to real estate market opportunities to provide the best value housing, maximize developer creativity, and return a transaction with high potential for successful execution. The AF will use a privatization support contractor (PSC) to assist in the execution of the program. As a result of privatization, the private developer will own the housing, Air Force personnel will receive BAH and pay rent to the private developer. The private sector developer will manage and maintain the housing. Utilities will be paid by the tenant directly to the utility provider. Base personnel will no longer directly manage or control the housing. There are five contractors in this IDIQ pool.

ECOS: Environmental, Construction and Operations & Services

The Environmental, Construction and Operations & Services (ECOS) contracts are the follow-on to the Environmental Minor Construction and Operations & Services

(EMCOS) contracts. ECOS contracts consist of seven (7) small business set-aside Indefinite Delivery/Indefinite Quantity (IDIQ) contract awards.

The program ceiling for ECOS is \$150 million with the potential to increase to \$375 million. The ECOS contract offers a broad range of construction, repair, and demolition work, to include both traditional and environmental; plus force protection and homeland security. In addition this contract will provide operations and services for environmental conservation, compliance, pollution prevention and clean-up activities, and will include ordnance removal and disposal, energy management, and Geographic Information Systems. There are seven contractors in this IDIQ pool.

WERC: Worldwide Environmental Restoration & Construction

The Worldwide Environmental Restoration and Construction (WERC) contracts are the follow-on to the Environmental Remediation and Construction (ENRAC) contracts.

WERC contracts consist of multiple awards of Indefinite Delivery/Indefinite Quantity (IDIQ) contracts.

The program ceiling for WERC is \$4 billion with the potential to increase to \$10 billion. The worldwide construction contracts offer a full range of construction and engineering activities to meet all base requirements. Requirements are primarily environmental but will also include a secondary requirement for traditional engineering needs. WERC also offers demolition, repair, emergency response, and operation and maintenance opportunities for both environmental and traditional engineering activities. There are 27 contractors in this IDIQ pool.

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Vita

Captain Jason E. Blevins graduated from George West High School, George West, Texas, in 1996. He was awarded the degree of Bachelor of Science in Civil Engineering from the United States Air Force Academy in 2000.

Captain Blevins was commissioned a Second Lieutenant in the United States Air Force on 31 May 2000 and was subsequently assigned to the U.S. Air Force Academy, Colorado, Langley AFB, Virginia, and Shaw AFB, South Carolina. During these varying assignments, he developed depth and breadth of knowledge of leadership and the Civil Engineer career field working as an instructor and AOC at the U.S. Air Force Academy Preparatory School, in engineering design and programming at Langley AFB, and as a CE staff member at USCENTAF at Shaw AFB.

Captain Blevins was selected to pursue an advanced degree at the Graduate School of Engineering and Management, Air Force Institute of Technology, Air University at Wright-Patterson AFB, Ohio, in 2003. His next assignment will be the 51st CES Construction Manager, Osan AB, South Korea.

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